

**DIRECT TESTIMONY OF**  
**SARAH W. JOHNSON**  
**ON BEHALF OF**  
**THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF**  
**DOCKET NO. 2018-318-E**  
**IN RE: APPLICATION OF DUKE ENERGY PROGRESS, LLC**  
**FOR ADJUSTMENTS IN ELECTRIC RATE SCHEDULES AND TARIFFS AND**  
**REQUEST FOR AN ACCOUNTING ORDER**

**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.**

**A.** My name is Sarah W. Johnson. My business address is 1401 Main Street, Suite 900, Columbia, South Carolina 29201. I am employed by the State of South Carolina as the Deputy Director of Utility Services in the Utility Rates and Services Division of the Office of Regulatory Staff (“ORS”).

**Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.**

**A.** I received my Bachelor of Science from the University of South Carolina in 1995. Prior to my employment with ORS, I held a variety of positions supporting both regulated and deregulated utility operations for electric, natural gas, and telecommunication providers across the southeast. My duties included customer service, information technology, product marketing, and regulatory consulting.

I joined ORS in 2016 as Deputy Director of Utility Services. In this role I supervise the daily activities related to the technical areas of Distributed Energy Resources, solar leasing, and Demand Side Management and Energy Efficiency. I am also responsible for the daily operations of ORS’s Consumer Services Division.

**Q. HAVE YOU TESTIFIED BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA (“COMMISSION”)?**

**A.** Yes.

**Q. WHAT IS THE MISSION OF THE OFFICE OF REGULATORY STAFF?**

**A.** ORS represents the public interest as defined by the South Carolina General Assembly as follows:

The concerns of the using and consuming public with respect to public utility services, regardless of the class of customer, and preservation of continued investment in and maintenance of utility facilities so as to provide reliable and high-quality utility services.

**Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

**A.** The purpose of my testimony is to provide ORS’s position on the request made by Duke Energy Progress, LLC (“Company” or “DEP”) for approval of a Prepaid Advantage Program Pilot (“Prepaid Advantage” or “Pilot”) and to include participating customers’ associated credit card fees in rates for residential customers.

**Q. PLEASE SUMMARIZE DEP’S REQUEST FOR APPROVAL OF PREPAID ADVANTAGE.**

**A.** In its Application, the Company seeks Commission approval to launch a Pilot program for one year in duration from the proposed effective date of October 1, 2019, and limit customer participation to 2,000 customers.<sup>1</sup> The Company indicates that it may seek to grow the Pilot or pursue early termination of the Pilot in favor of a full scale offering to be filed with the Commission for approval.<sup>2</sup> The Company requests a partial waiver of S.C. Code Ann. Regs. 103-352, *Procedures for Termination of Service*, and proposes

<sup>1</sup> Company witness Wheeler’s Direct Testimony, page 33, lines 13-14

<sup>2</sup> Company witness Schneider’s Direct Testimony, page 16, lines 5-7

alternative compliance methods for adherence to S.C. Code Ann. Regs. 103-330, *Customer Information* paragraphs (c) and (d) and S.C. Code Ann. Regs. 103-339, *Customer Billing*.<sup>3</sup>

**Q. DOES ORS RECOMMEND THE COMMISSION APPROVE THE PREPAID ADVANTAGE PROGRAM PILOT AS PROPOSED BY THE COMPANY?**

**A.** No. ORS recommends the Pilot be considered in a proceeding separate from a general rate proceeding. In the context of a general rate case, interested parties are not able to adequately review and determine the benefits and costs of a proposed Pilot because of the six-month statutory time limitation specified in S.C. Code Ann. § 58-5-240(C). A separate proceeding would promote transparency and allow interested stakeholders the opportunity to participate in a process solely focused on the examination of a proposed Pilot.

ORS recommends the Commission disallow the proposed Prepaid Advantage Program Pilot in this Docket and recommends the Company file a separate petition with the Commission for future consideration to include the Company's request for waivers of credit/debit card fees for eligible participating customers in the Prepaid Advantage Program.

**Q. WILL YOU UPDATE YOUR TESTIMONY BASED ON INFORMATION THAT BECOMES AVAILABLE?**

**A.** Yes. ORS fully reserves the right to revise its recommendations via supplemental testimony should new information not previously provided by the Company, or other sources, become available.

**Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

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<sup>3</sup> Company witness Schneider's Direct Testimony, page 17, lines 1-5 and lines 20-22; page 18, lines 1-6

1     **A.**             Yes.